

FY2017 Budget Presentation

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FY2016 – Current Year Status

- Operating within overall budget allocations
- Growth in property and sales taxes
- Strong economy
- Maintaining bond rating
- Grow reserves



FY2017 Budget Instructions

- No tax increase
- No reduction scenario
- Long term financial planning
- Public Investment Plans
- Collaboration and innovation



Mayor Barry's Priorities

- Education and Youth
- Affordable Housing and Economic Development for All
- Transportation and Infrastructure
- Quality of Life



Recommended Budget

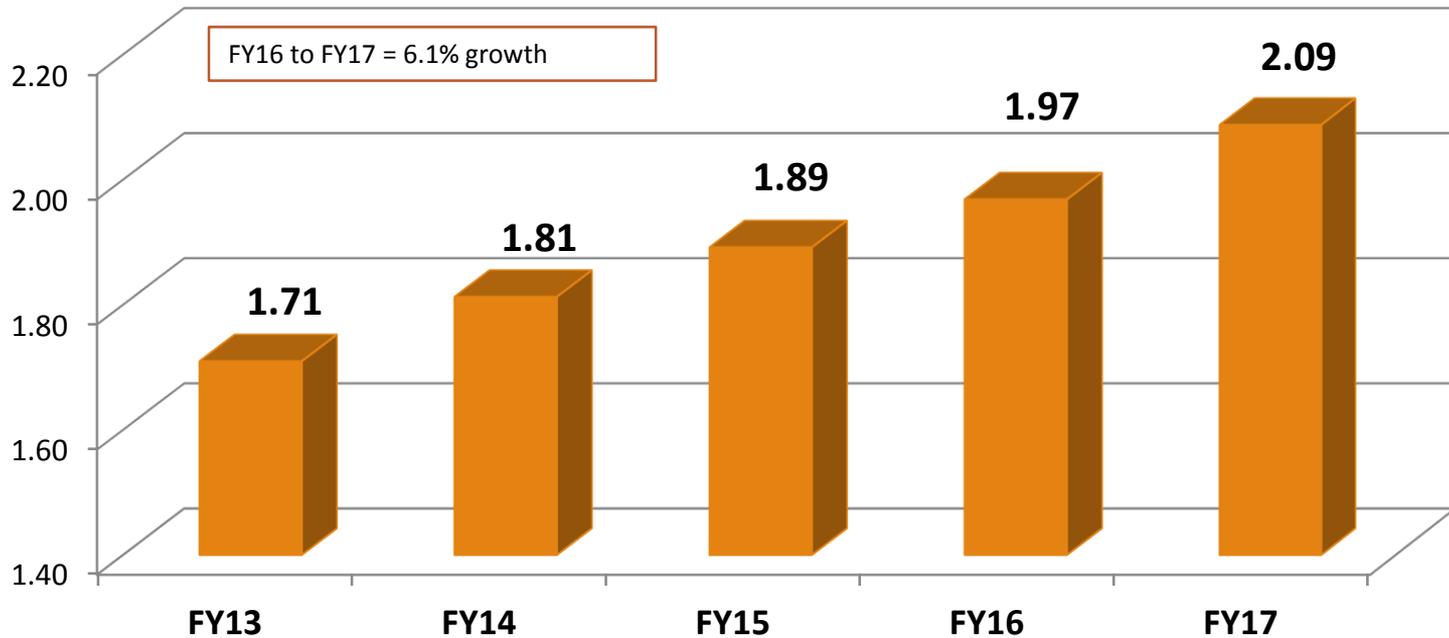
\$2,087,320,200

6.1% increase over FY2016



Total Budget Growth

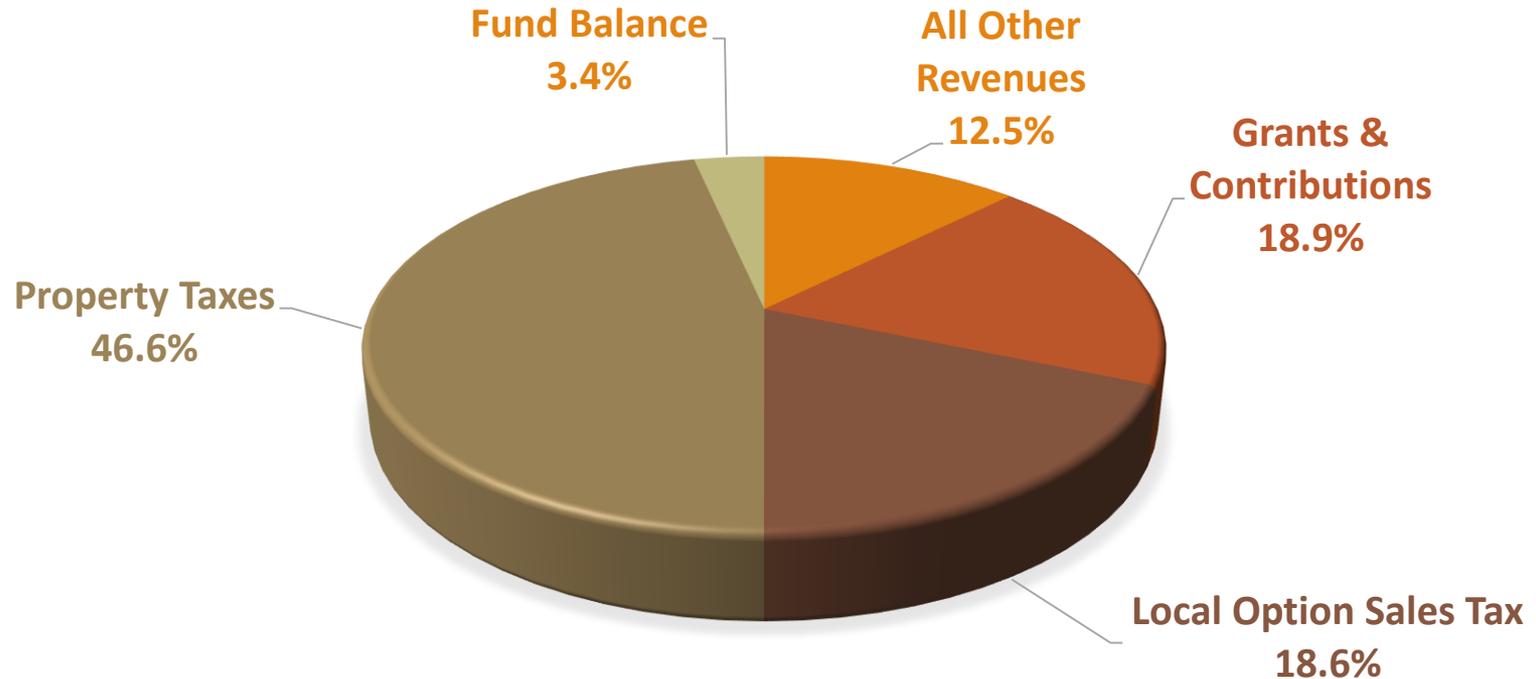
Amounts in billions



Amounts taken from Substitute Budget Ordinances as approved by Metro Council



Where the Money Comes From



Total Revenue Growth

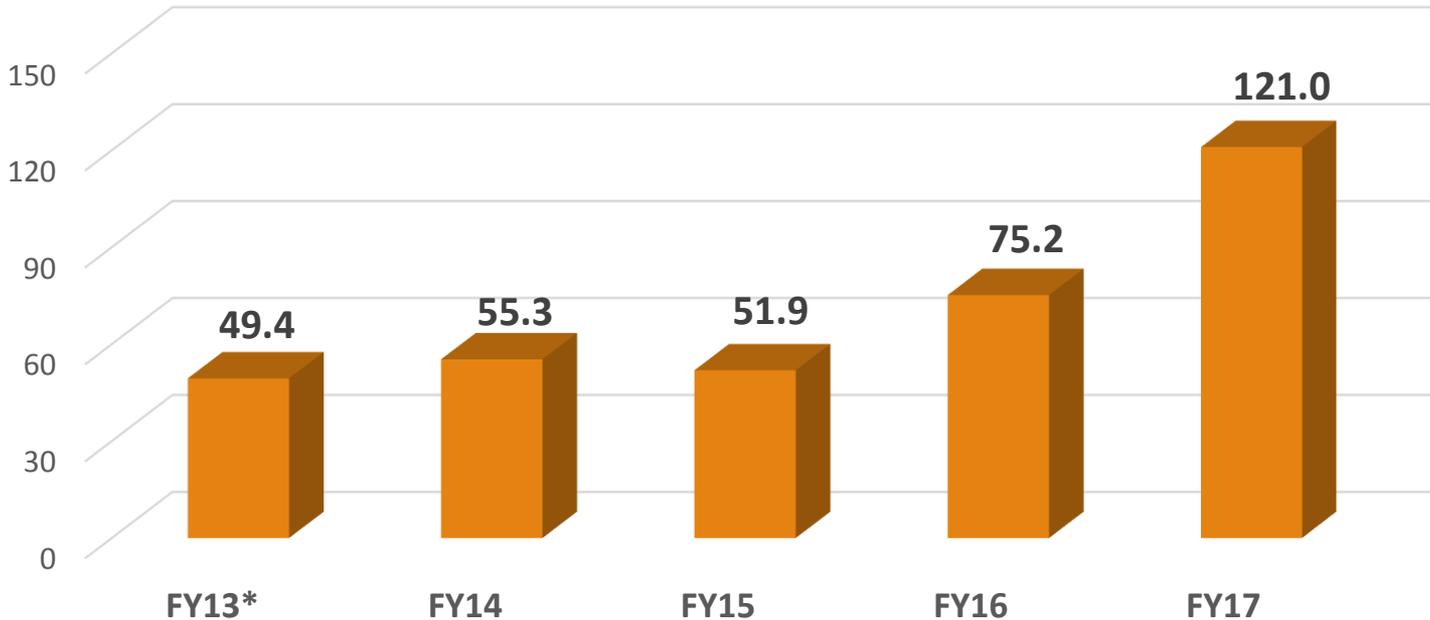
\$121.0 million

- Property Taxes - **\$33.2 million**
- Local Option Sales Tax - **\$27.3 million**
- Grants and Contributions - **\$27.6 million**
- All Other - **\$32.9 million**



Budgeted Revenue Growth by Fiscal Year

Amounts in millions



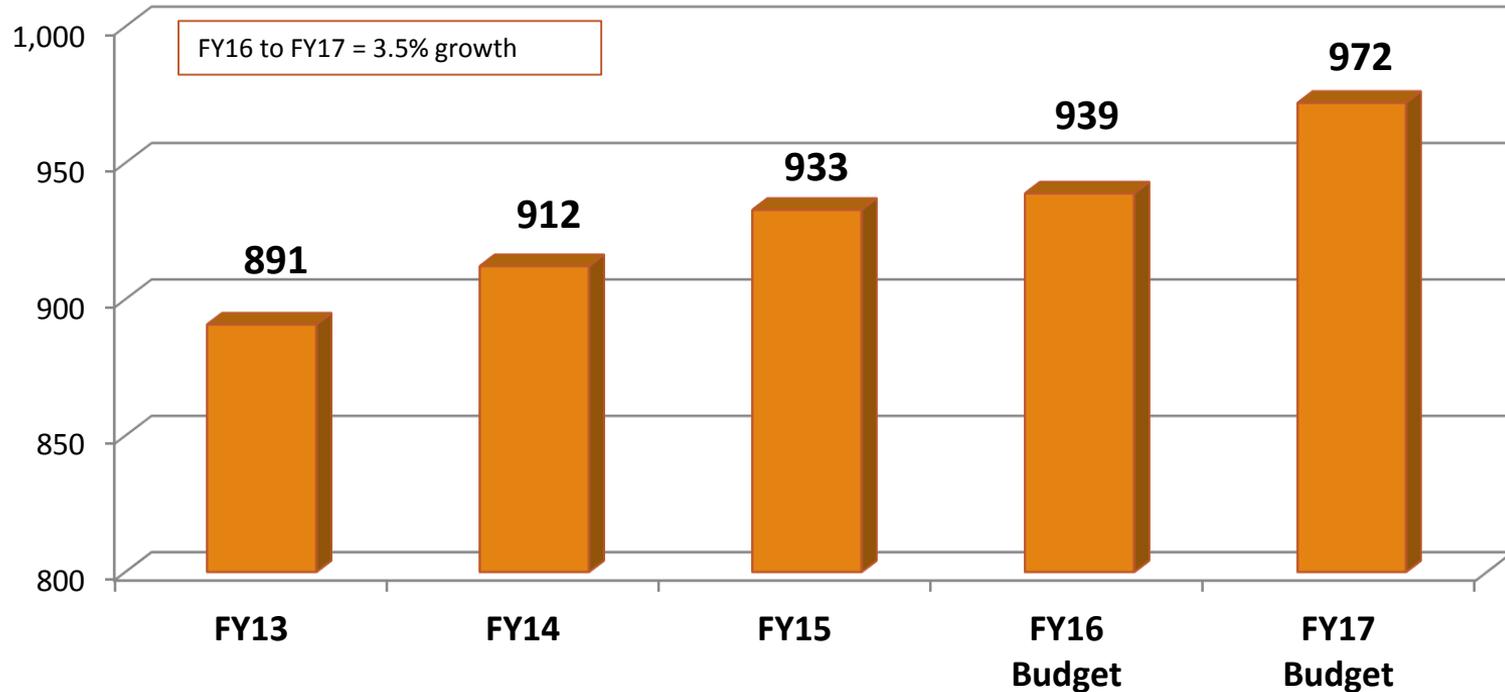
*FY13 excludes \$100 million of new revenue from property tax increase

GSD/USD/MNPS General Funds



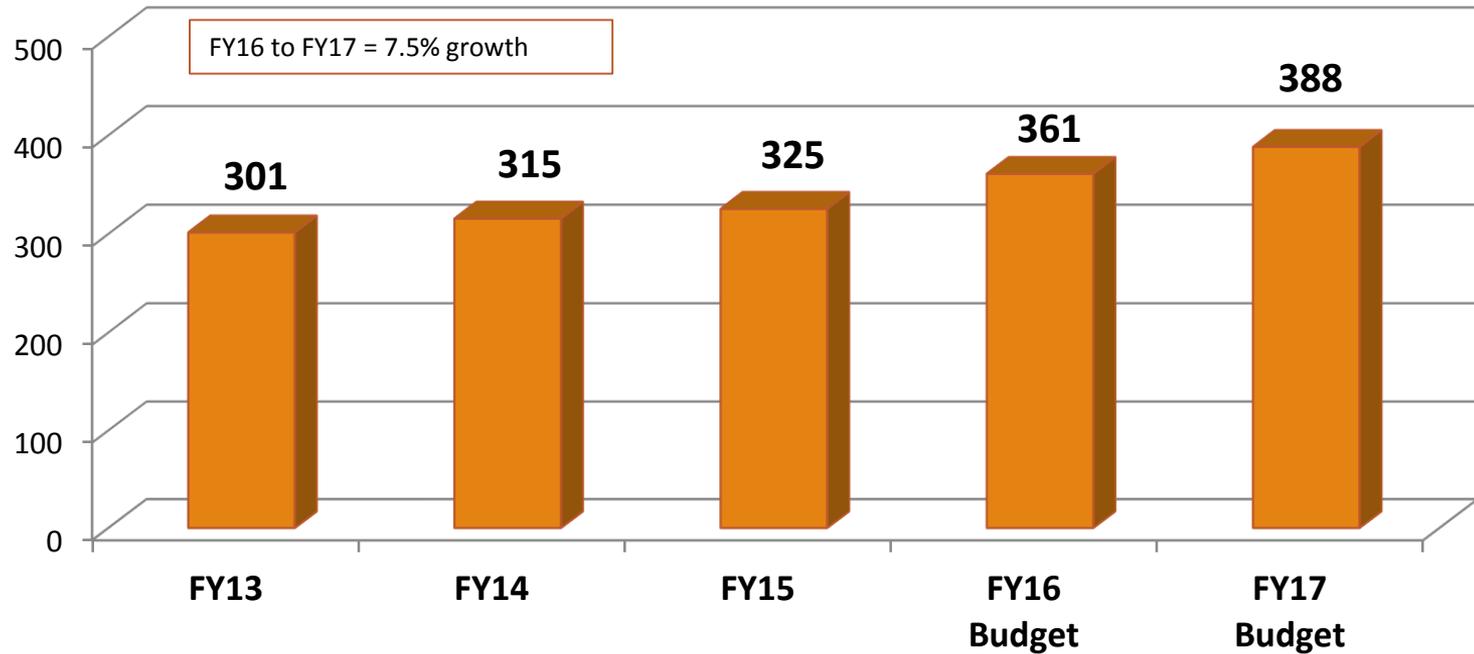
Property Tax Trends

Amounts in millions



Sales Tax Trends

Amounts in millions



Recommended Use of Fund Balance

| Fund | Appropriated for use in FY17 Budget | Estimated June 30, 2017 Balance as a Percent of FY17 Budget | Estimated June 30, 2016 Balance as a Percent of FY16 Budget |
|----------------------------|-------------------------------------|---|---|
| OPERATING FUNDS: | | | |
| GSD* General Fund | \$43,372,400 | 7.4% | 6.1% |
| USD** General Fund | \$7,574,800 | 5.4% | 5.7% |
| Schools Fund | \$16,000,000 | 7.6% | 5.5% |
| DEBT SERVICE FUNDS: | | | |
| GSD* Debt Service Fund | \$5,000,000 | 6.6% | 5.2% |
| USD** Debt Service Fund | \$0 | 18.6% | 9.4% |
| Schools Debt Service Fund | \$0 | 6.1% | 5.2% |

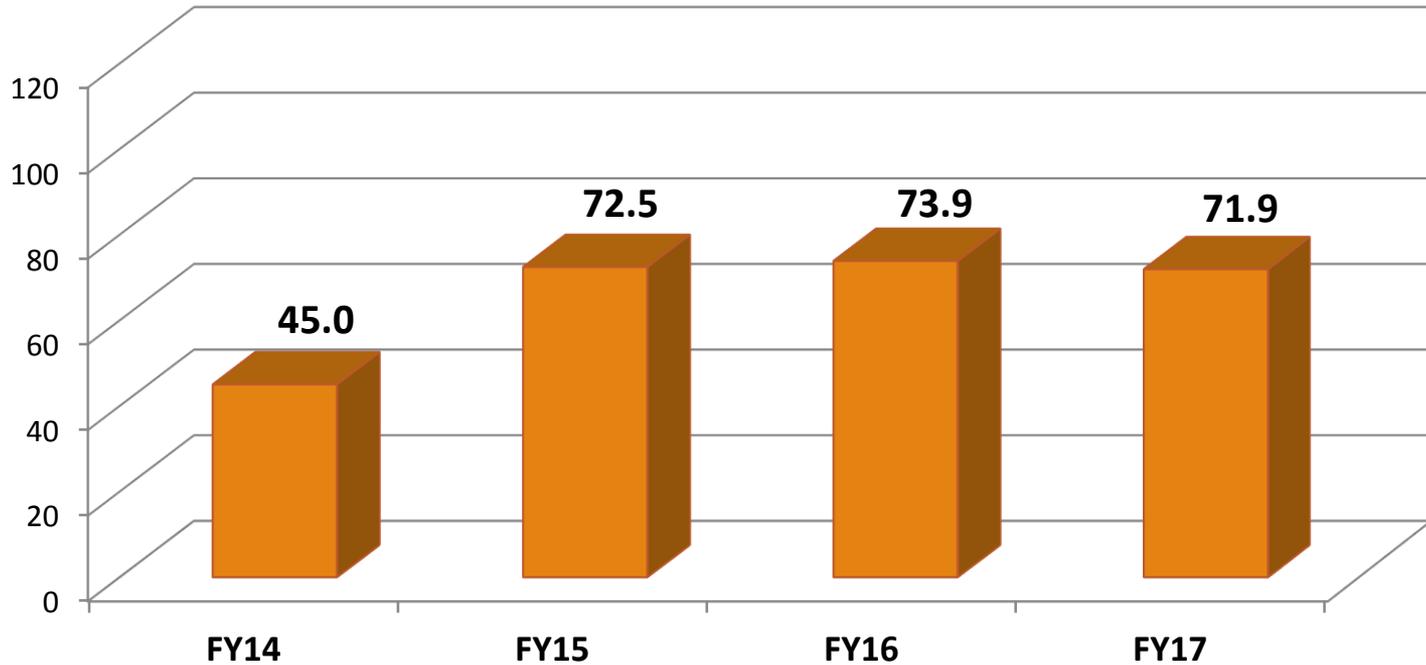
*GSD - General Services District

**USD - Urban Services District



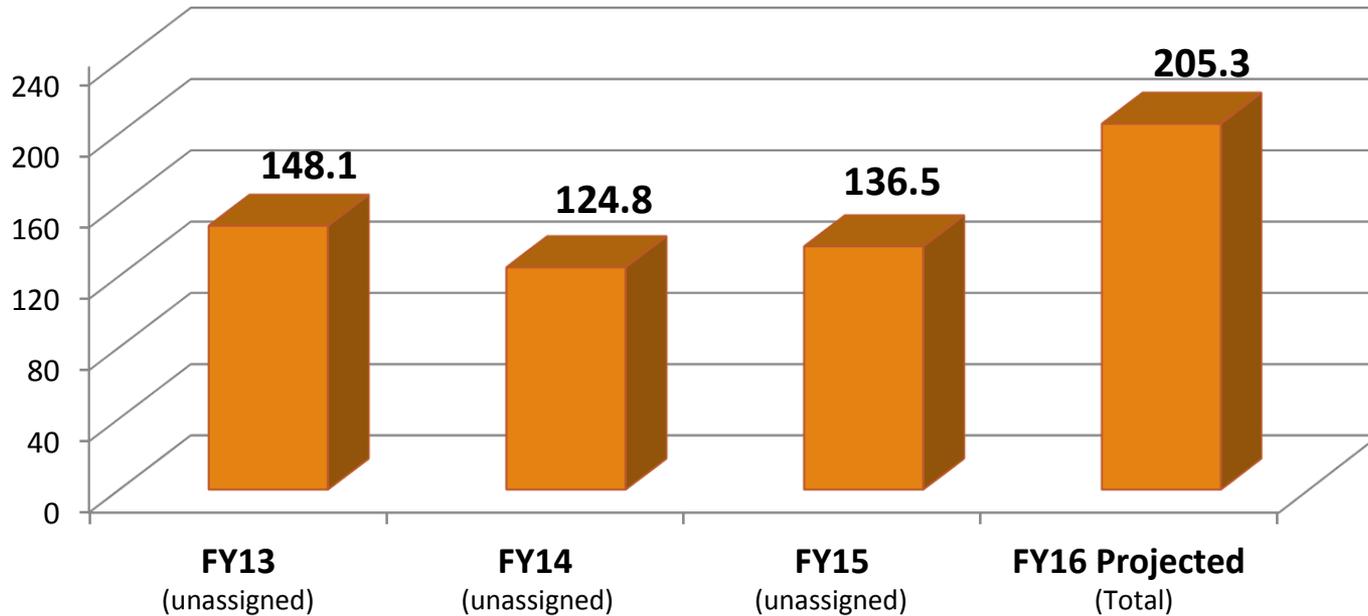
Budgeted Fund Balance

Amounts in millions



Year-End Operating Fund Balances*

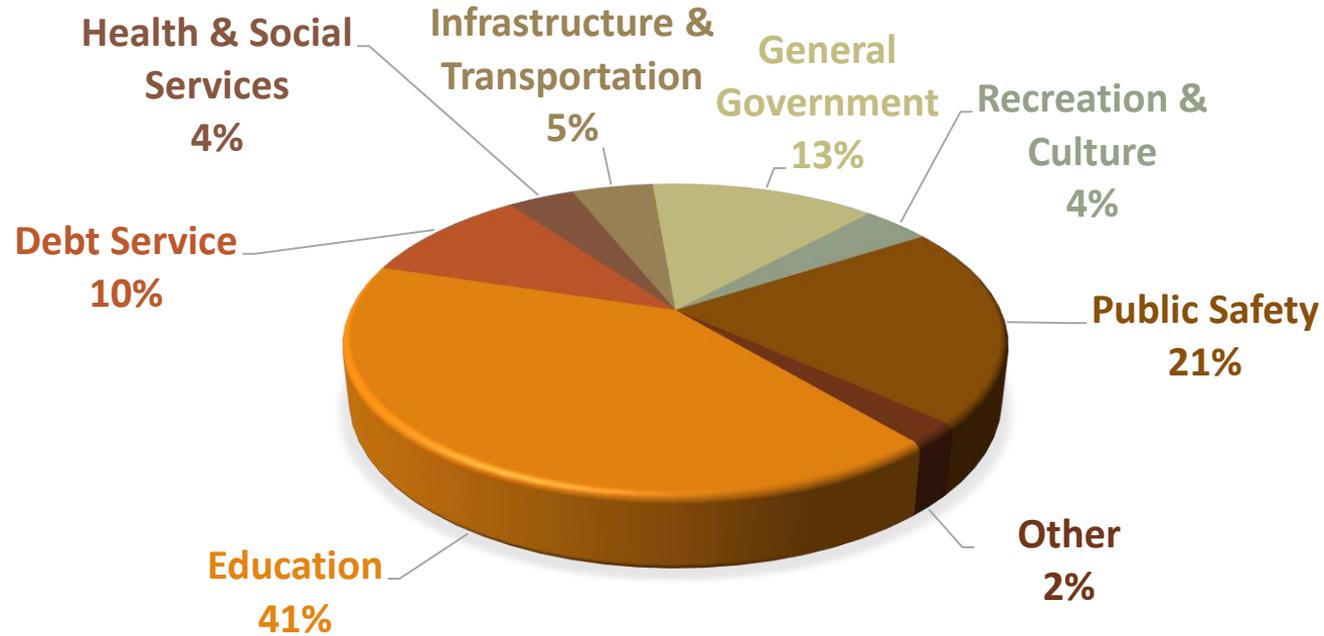
Amounts in millions



* GSD/USD/MNPS General Funds



Where the Money Goes



Where the Money Goes

\$121.0 million

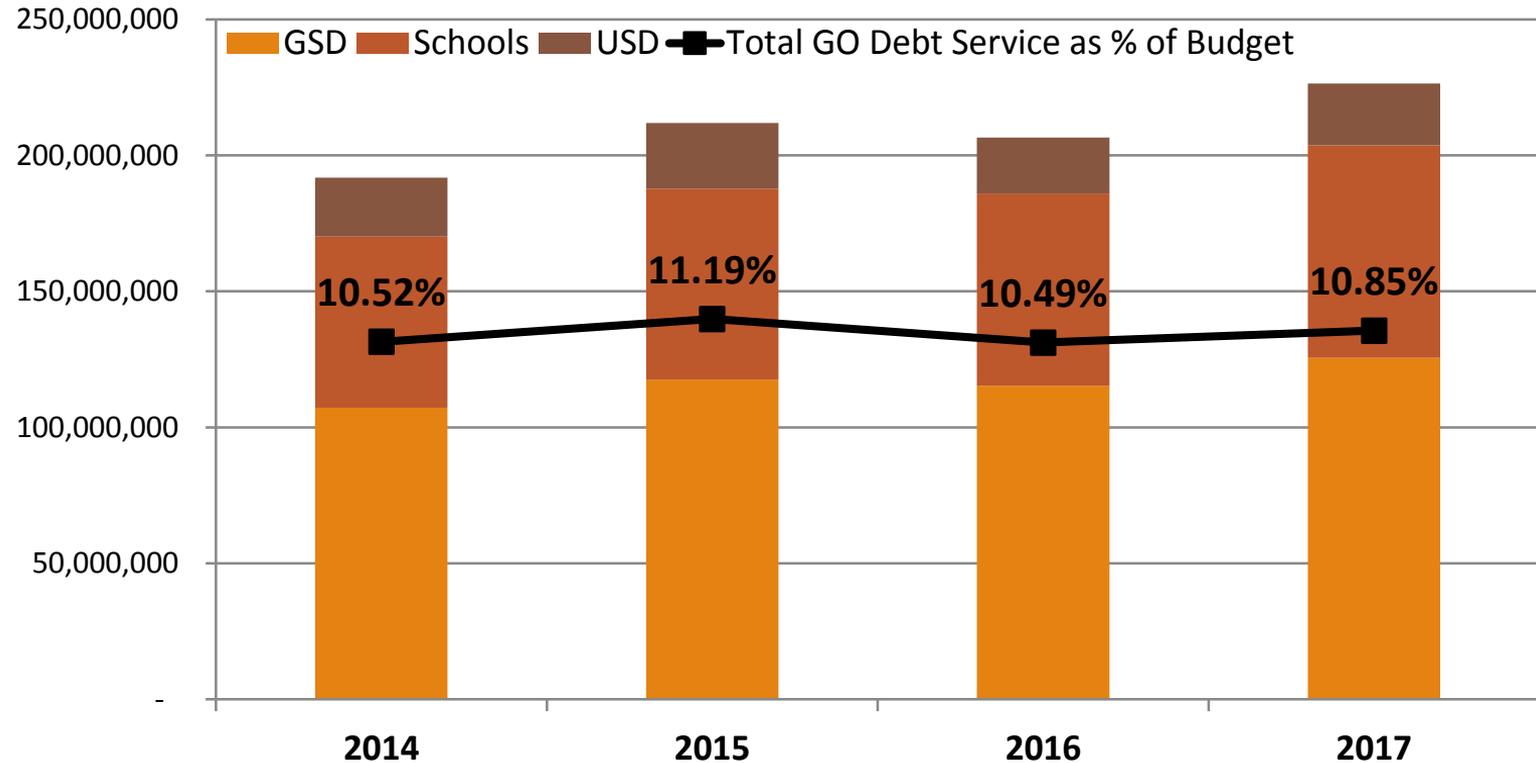
- Debt Service - **\$18.6 million**
- Schools - **\$33.3 million**
- Compensation - **\$29.6 million**
- Operations - **\$39.5 million***

* Net change



General Obligation Debt

Historical Annual Debt Service Requirement 2014 – 2017



Annual Debt Report

BL2014-696

As required, the **Annual Debt Report**
will be emailed to Metro Council members today



Employee Investments*

- Compensation
 - **\$28.5 million**
- Veteran's Day Holiday
 - **\$1.1 million**
- Grand Total
 - **\$29.6 million**

* GSD/USD and subsidized accounts and internal service funds



Pay Plan Increase History

| | |
|---------------|--|
| FY2008 | <ul style="list-style-type: none"> • 2% COLA and increments for eligible employees |
| FY2009 | <ul style="list-style-type: none"> • Increments for eligible employees |
| FY2010 | <ul style="list-style-type: none"> • None |
| FY2011 | <ul style="list-style-type: none"> • 2% lump sum for full-time staff, \$2,000 cap |
| FY2012 | <ul style="list-style-type: none"> • 1.5% lump sum for full-time staff, \$1,500 cap |
| FY2013 | <ul style="list-style-type: none"> • 2% for department heads, SR13-equivalent and upper grades • 4% increase for all other employees |
| FY2014 | <ul style="list-style-type: none"> • 1.5% COLA for all employees including part-time staff (effective Jan 2014) • Increments for eligible employees |
| FY2015 | <ul style="list-style-type: none"> • Full funding for raises given in FY2014 • 1% COLA and 2% open range (effective Jan 2015) • Market adjustment for positions deemed significantly below market (effective Jan 2015) • Increments for eligible employees |
| FY2016 | <ul style="list-style-type: none"> • Full funding for raises given in FY2015 • 2.5% COLA (effective July 1) • Increments for eligible employees • Compression for certain public safety positions • 2% Open Range (effective July 1) |



Pay Plan Recommendations

- Deloitte Compensation Study recommendations (effective July 1)
- Increments for eligible employees (effective increment date)
- 3% for open range increases (effective July 1)
- 3.1% COLA (effective July 1)



Selected Improvement Recommendations by Priority Area



Schools



4.1% increase of **\$33.3 million** over FY16

\$843,299,700



Schools

\$33.3 million

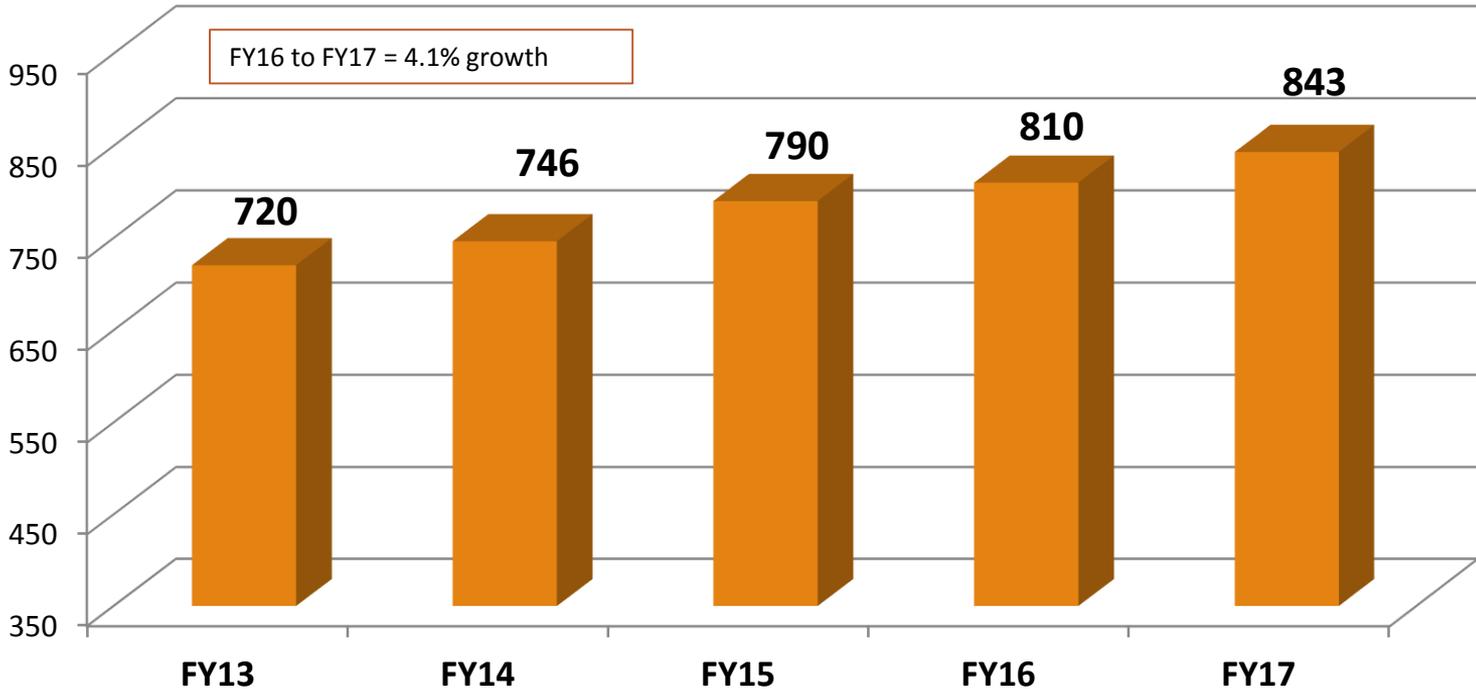
- Employee Compensation – **\$14.7 million** (\$1.3 million net of savings)
- Inflationary and Required Additions – **\$18.5 million**
- Other – **\$13.5 million**

Bus Monitors, Community Achieves, Special Education Bus Drivers, Pre-K (from federal), Start-up costs for English Language Learners and Literacy Initiatives



Schools Budget Growth

Amounts in millions



Amounts taken from Substitute Budget Ordinances as approved by Metro Council



Youth Programs and Services

\$2.6 million

- Employment
- After School Programs
- College Readiness
- Youth Violence



Affordable Housing and Economic Development for All

Barnes Fund – FY17 Total Allocation

\$16,000,000

\$10 million New in FY17

\$5 million Estimated Convention Center Proceeds

\$1 million Carry Over from FY16



Public Investment Plans Innovation Investment Fund

\$1,000,000

- **34 plans** were submitted with operating funding requests of **\$16 million** and capital funding requests of **\$35 million**
- **14 plans** were recommended for either total or partial funding in FY2017
- The **Innovation Investment Fund** will allocate funding to departments during the year for approved plans



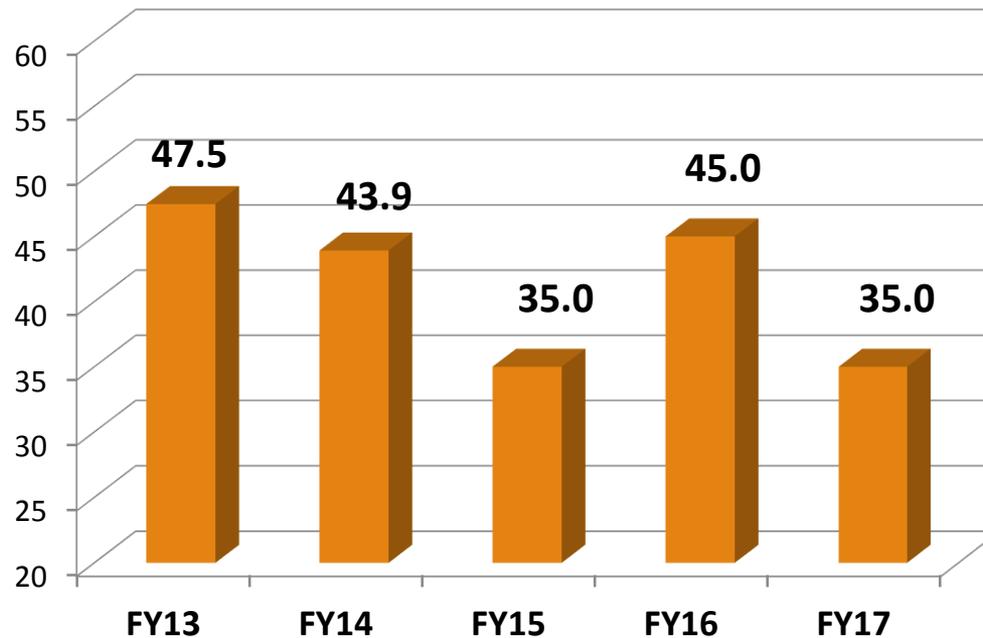
Recommended Operating Subsidies

- Farmers' Market - **\$1 million** (funded from State purchase of land)
- Municipal Auditorium - **\$400,000** (general fund)
- State Fair – **balanced** budget based on projected revenues



Hospital Authority Subsidy History

Amounts in millions



FY13 includes \$4,292,400 supplemental - **FY14** includes \$5,227,100 supplemental - **FY16** includes \$10,000,000 supplemental



Metro Transit Authority

\$42,013,600

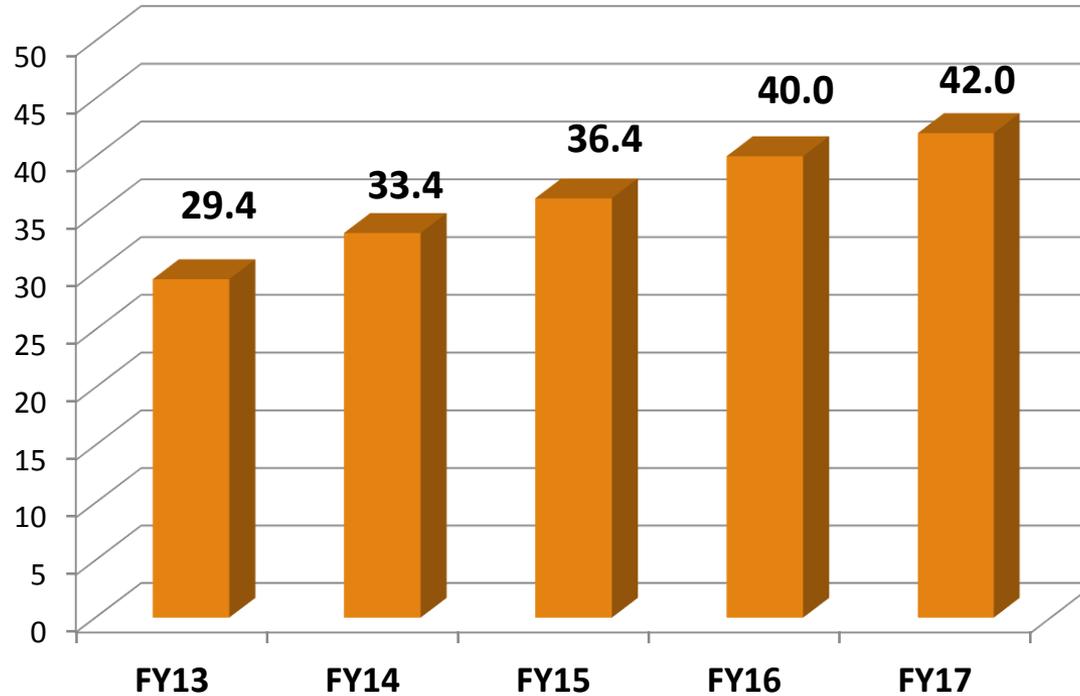
\$2 million Improvement over FY16 Budget

Nolensville Road bus rapid transit, Thompson Lane feeder service, maintenance, planning for first and last mile service



Metro Transit Authority Subsidy History

Amounts in millions



Public Safety

- **Fire – \$1.5 million**
 - EMS staffing
 - Fire prevention staffing
 - Uniform allowances
 - Quality improvement staffing
- **Police – \$2 million**
 - 6 new police officers for domestic violence
 - Crime lab
 - Special events overtime
 - Youth Services



Quality of Life

- **Library – \$975,300**
 - Friday openings - full funding for locations opened in FY16
 - Friday openings for new locations opening in FY17
- **Health – \$780,100**
 - Youth services, food and facility inspections, vital records, vaccinations



Transportation and Infrastructure

- **Codes and Planning – \$492,100**
 - Property standards, zoning, planning and land development staffing
- **Metro Transit Authority – \$2 million**
- **Parks – \$1.6 million**
 - Staffing and maintenance
- **Public Works – \$1.2 million**
 - Contractual increases, road and paving repairs, cleaning crews



Revenue Proposals

Planning - \$866,500

Public Works - \$2,370,400

Miscellaneous Fees. Memo will be provided to Council members from Department Heads explaining proposed revenue adjustments today.



Legislation to Track with Budget

- Operating Budget Ordinance
- Tax Levy Ordinance
- Urban Council Resolution
- Pay Plan Resolutions
- Emergency Communications Center Department Ordinance
- Miscellaneous Revenue Adjustments for Planning and Public Works



CAPITAL SPENDING PLAN

Planned Filing – May 13th

For

Capital Improvements Budget Ordinance

And

Capital Spending Plan



For More Information Visit the Citizens' Guide to the Metro Budget

www.nashville.gov/citizens_budget

